

SEABOARD SYSTEM RAILROAD

500 Water Street • Jacksonville, Florida 32202 • (904) 359-3100

January 16, 1985

Law Department
Writer's direct telephone line:
(904) 359-3673

14555
RECORDATION NO. Filed 1425

JAN 23 1985 - 10 30 AM

INTERSTATE COMMERCE COMMISSION

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
12th & Constitution, N. W.
Washington, D. C. 20423

Dear Mr. Secretary:

I have enclosed three counterparts of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the U. S. Code.

This document is an Interim Use Agreement, a primary document, dated as of January 15, 1985.

The names and addresses of the parties to the document are as follows:

Atlantic Land and Improvement Company
500 Water Street
Jacksonville, Florida 32202

Seaboard System Railroad, Inc.
500 Water Street
Jacksonville, Florida 32202

A description of the equipment covered by the document follows:

<u>Quantity</u>	<u>Description</u>	<u>Road Nos. (inclusive)</u>
21	3500 HP Model SD-50 locomotives	SBD 8603-8623
8	1500 HP Model MP-15T locomotives	SBD 1215-1222
75	3600 HP Model B-36-7 locomotives	SBD 5806-5880

A fee of \$10.00 is enclosed.


Please return any copies not needed by the Commission
for recordation to:

Mr. David M. Yearwood
General Attorney
Seaboard System Railroad, Inc.
500 Water Street
Jacksonville, Florida 32202

A short summary of the document to appear in the
index follows:

Bailment of 104 locomotives
SBD 8603-8623, 1215-1222, 5806-5880

Very truly yours,


David M. Yearwood
General Attorney

1/23/85

Interstate Commerce Commission
Washington, D.C. 20423

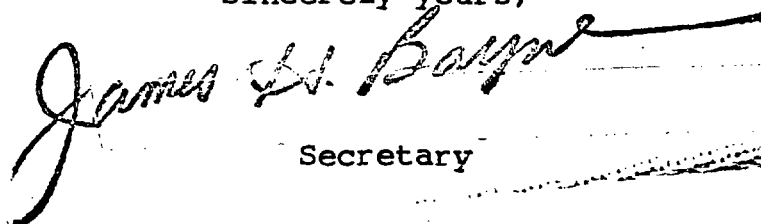
OFFICE OF THE SECRETARY

David M. Yearwood
General Attorney
Seaboard System Railroad, Inc.
500 Water Street
Jacksonville, Florida 32202

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/23/85 at 10:30am and assigned re-recording number(s). 14555

Sincerely yours,


Secretary

Enclosure(s)

14555

RECORDATION NO. Filed 1425

JAN 23 1985 - 10 30 AM

INTERIM USE AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, dated as of January 15, 1985, by and between ATLANTIC LAND AND IMPROVEMENT COMPANY, a Virginia corporation (hereinafter called the "Owner"), and SEABOARD SYSTEM RAILROAD, INC., a Virginia corporation (hereinafter called the "Bailee").

W I T N E S S E T H:

That the Owner is purchasing the following locomotives (individually "locomotive", collectively "locomotives"):

Manufactured by General Motors Corporation
(Electro-Motive Division)

<u>Quantity</u>	<u>Description</u>	<u>Road Nos.</u> <u>(inclusive)</u>
21	3500 HP Model SD-50 locomotives	SBD 8603-8623
8	1500 HP Model MP-15T locomotives	SBD 1215-1222

Manufactured by General Electric Company

<u>Quantity</u>	<u>Description</u>	<u>Road Nos.</u> <u>(inclusive)</u>
75	3600 HP Model B-36-7 locomotives	SBD 5806-5880

Bailee proposes to subsequently purchase the locomotives and to finance such purchase through an Equipment Trust Agreement or Conditional Sale Agreement. Inasmuch as financing has not yet been obtained, the Bailee is not in a position to purchase and pay for the locomotives at this time. The Bailee anticipates that it will complete its financing arrangements on or before September 30, 1985. The Bailee (in order that it may use the locomotives pending completion of its financing arrangements) has requested the Owner to give the Bailee temporary custody and possession of the locomotives, solely as bailee of the locomotives, and the Owner is willing to do so upon the terms and conditions hereinafter stated.

NOW, THEREFORE, in consideration of the premises and of the promises of the parties herein contained, the parties agree as follows:

1. The rights of the Bailee hereunder in respect of each locomotive shall commence on the date of acceptance by the Bailee of the locomotives and shall end on the earlier of September 30, 1985, or the date of payment of the purchase price

of such locomotives under the above financing arrangements. When the purchase price of all the locomotives has been paid, this Agreement shall automatically be terminated without further action by or notice to any party concerned. Risk of loss in respect to each locomotive will remain with the Bailee at all times and shall not pass to the Owner under any circumstances.

2. The Owner hereby appoints the Bailee as its agent for acceptance of the locomotives from the manufacturers. Upon delivery of each locomotive to the delivery point, the Bailee's representative will execute a certificate of acceptance acknowledging the receipt of delivery of each locomotive and stating that such locomotive has been inspected and appears to conform to the specifications applicable thereto. Title to the locomotives shall remain in the Owner and the Bailee's right and interest therein is and shall be solely that of possession, custody, and use as bailee under this Agreement. Transfer of title shall be effected only at the time of delivery of a bill or bills of sale. The Bailee, without expense to the Owner, will promptly cause this Agreement to be filed with the Interstate Commerce Commission for recordation under 49 USC 11303 of the Interstate Commerce Act. In addition, the Bailee shall do such other acts as may be required by law, or reasonably requested by the Owner for the protection of the Owner's title to and interest in the locomotives.

3. The Bailee agrees that it will permit no liens of any kind to attach to the locomotives; and that it will

- (a) indemnify and save harmless the Owner from any and all claims, expenses, or liabilities of any kind whatsoever, and
- (b) pay any and all taxes, fines, charges, and penalties

that may accrue or be assessed or imposed upon the locomotives or the Owner because of its ownership or because of the use, marking, operation, management or handling of the locomotives by the Bailee during the term of this Agreement. The Bailee's obligations contained in this paragraph shall survive the termination of this Agreement by mutual agreement or otherwise.

4. The Bailee will, at its own expense, keep and maintain the locomotives in good order and running condition and will at its option repair or replace or promptly pay to the Owner the purchase price in cash of those locomotives which may be damaged or destroyed by any cause during the term of this Agreement. Upon the expiration or other termination of this Agreement, other than by payment of the purchase price, the

Bailee will surrender and deliver up the locomotives in good order and running condition to Owner free of all charges at the point designated by the Owner.


5. Prior to the delivery of each locomotive to the Bailee it will be numbered with a road number as set forth above, and there shall be plainly, distinctly, permanently, and conspicuously marked and maintained by the Bailee upon each side of each locomotive in letters not less than one inch in height the following words:

"OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED
WITH THE INTERSTATE COMMERCE COMMISSION."

6. The Bailee agrees with the Owner that the execution by the Bailee of this Agreement or the delivery by the Owner to the Bailee of the locomotives, as contemplated by this Agreement, shall not relieve the Bailee of its obligations to accept, take, and pay for the locomotives.

Attest:

ATLANTIC LAND AND IMPROVEMENT COMPANY

 *Wm. J. Kidd* By *H. L. Snyder*
Assistant Secretary Vice President & Treasurer

Attest:

SEABOARD SYSTEM RAILROAD, INC.

A. W. Byrd By *H. L. Snyder*
Assistant Secretary Vice President-Treasurer

STATE OF FLORIDA)
) SS:
COUNTY OF DUVAL)

On this 10th day of January, 1985, before me personally appeared H. L. Snyder, to me personally known, who, being by me duly sworn, says that he is Vice President & Treasurer of Atlantic Land and Improvement Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Judith L. Hughes
Notary Public
Notary Public, State of Florida
My Commission Expires Aug. 5, 1988
Bonded Thru Troy Fain - Insurance, Inc.

STATE OF FLORIDA)
) SS:
COUNTY OF DUVAL)

On this 10th day of January, 1985, before me personally appeared H. L. Snyder, to me personally known, who, being by me duly sworn, says that he is Vice President-Treasurer of Seaboard System Railroad, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Judith L. Hughes
Notary Public
Notary Public, State of Florida
My Commission Expires Aug. 5, 1988
Bonded Thru Troy Fain - Insurance, Inc.